

NEW PRODUCT ADVISORY No. 03-019

A FULL SERVICE PLAN'S NEW PROVIDER NETWORK

ACTION: Order of Approval Issued October 3, 2003

Material Modification proposing new, materially different, professional provider network.

Filing Nos. 20023138; 20033659; 20034415; 20035278; 20035286; 20036038; 20036402; 20036720; and 20036938

Filed on December 10, 2002; January 13, 2003; February 28, 2003; May 7, 2003; May 14, 2003; June 17, 2003; July 14, 2003; July 16, 2003; and August 14, 2003

SUMMARY

A particular Plan proposed a new, alternative professional provider network to be used with its small and large commercial HMO products throughout San Diego County featuring lower premiums.

Enrollees obtain services through the network by selecting assignment to a Primary Care Physician participating in the new network. The medical groups and IPAs are a non-exclusive subset of the particular Plan's current participating medical groups; however, the Plan's full hospital network, ancillary, and tertiary providers will be available for enrollees. Members will have access to specialty care in the same manner as enrollees in other Plan commercial products.

Choice of a medical group may limit access to certain hospitals, because the physician in that medical group may not admit to all of the particular Plan participating hospitals. However, if the enrollee needs services which cannot be appropriately provided at the hospital to which the enrollee's provider admits, the particular Plan will make appropriate arrangements for continuity of care.

The service area includes urban, suburban, and rural areas. The particular Plan initially proposed a thirty (30) mile alternative standard in some areas, but upon re-evaluation, the Plan kept its current geographic access standards in the County. Based upon the information filed, primary and specialty care services are accessible within the network. The particular Plan contacted proposed medical groups/IPAs to update provider capacity and identify any capacity issues for increased enrollment. The Plan contracted with more providers. The particular Plan developed and furnished multiple geographic access reports showing the distance between the proposed enrollment and providers; the various reports displayed mileage and driving times between the proposed enrollment and different types of providers, including those specialties identified as being highly utilized by the Plan's enrollment. To confirm traffic patterns, geographic barriers, and driving times, the particular Plan personnel drove the proposed distances between the offices of the providers and the locations of the proposed enrollment.

The Department required the particular Plan to address a variety of issues, including, but not limited to, access and availability of professional providers, continuity of care, second opinions, restrictions related to the network, disclosure in subscriber documents regarding accessing services in the network, monitoring of issues, and assumptions underlying the premiums.

BASIS OF ACTION

Sections 1342(b), (d), and (g), 1342.7, 1345(b), 1351(d) and (e), 1367(d), (e), and (h), 1363, 1367.26, 1367.69, 1367.695, 1370.6, 1373.3, 1373.65, 1374.16, 1374.30, 1374.72, 1375.1(a)(2), and 383.15. Rules 1300.63.2, 1300.67, 1300.67.1, 1300.67.2, 1300.67.2.1, 1300.67.4, and 1300.67.8.